

SPECIAL TRANSPORTATION FUND LOCKBOX AMENDMENT

If we want to be attractive to businesses, if we want to grow jobs, and if we want to build our economy, then we must reverse decades of underinvestment in transportation. And we must do it now.

But in order to give the public confidence that transportation dollars are going towards that purposes, a constitutional lockbox for funding must be put to voters on the 2016 ballot in November.

In the 2015 session, the legislature passed a statutory lockbox the prevent funds from being raided for the Special Transportation Fund, the mechanism that captures the revenue to back long-term, bonded transportation projects. And in the 2015 fall special session, a constitutional amendment for a lockbox was passed, but without the three fourths majority to put it on the 2016 ballot. Instead, a future legislature would need to pass it again in order for it to be put to voters in 2018.

But the numbers show we need to act – and we need to act now. Roads, bridges, rail – all need investment. Tens of billions of dollars are needed over the next 30 years just to ensure that our current infrastructure and current systems are modernized into good repair.

Over the last year, residents and businesses across the state have been clear that transportation is a priority and that to be competitive, we need to act.

The Lockbox would give taxpayers confidence that Connecticut can build a best-in-class transportation system.

In the next five years, approximately \$10 billion will be spent on transportation between investments made in this budget, planned capital spending, and federal funds. This includes the five year ramp-up passed last session:

- A \$2.8 billion increase for infrastructure over the next five years, including \$1.77 billion for rail,
 \$613 million for highways, \$281 million for bridges, \$101 million for bicycle and pedestrian trails,
 and \$43 million for buses
- Projects such as widening I-95 and I-84, replacing the Hartford Viaduct and the Route 8/I-84 interchange in Waterbury, and modernizing the New Haven rail line are essential to improve residents' quality of life. Those four projects alone could have an economic impact of \$45.2 billion, create nearly 15,000 permanent jobs and more than twice that number in construction jobs, and save commuters millions of traveling hours.

One thing is absolutely certain – a vote against the lockbox is a vote for inaction. A vote against the lockbox is a vote for more deterioration, more congestion, and – if inaction continues – catastrophe should a structure collapse.

A vote against this initiative is a vote against making our state more attractive to business.

The Condition of Our Infrastructure

Connecticut's infrastructure is in a massive state of disrepair, following decades and decades of inaction.

- 70% of bridges maintained by CTDOT are 50 years or older
- Four movable bridges on the nation's busiest commuter rail line are over 100 years old
- Connecticut has 334 bridges and 1 tunnel rated in "poor" condition meaning their structural condition is rated no better than a 4 out of 10 under federal safety standards. Nearly a third of those bridges were built before 1950.
- On the New Haven Line, a whopping 76% of rail bridges were built before 1940.
- 10% of CT's bridges are structurally deficient and 25% are functionally obsolete, while 70% of bridges maintained by CTDOT are 50 years or older
- Almost half 47% of state-maintained roads are in "fair" or "poor" condition.
- Traffic congestion in 2014 cost U.S. drivers 6.9 billion hours stuck in traffic and 3.1 billion gallons
 of extra fuel. The economic cost of traffic congestion in Connecticut alone is \$4.2 billion annually.
- Cars are becoming more efficient, so gasoline taxes are not providing the same purchasing power and are not even enough keep up with inflation. Without action, the fund is projected to be insolvent by 2022, yet our infrastructure will still need crucial upgrades.

Why is transportation good for business?

- Corporate executives rate highway accessibility as the #1 factor in site selection decisions, according to 88.3% of respondents in Area Developments 29th Annual Corporate Survey.
- 77% of Job seekers served by The American Job Center Network cited transportation as the #1 barrier to employment

• Connecticut is strategically located within 500 miles of 1/3 of the entire U.S. economy and 200 miles from 40 million people, 21 million jobs, and 2 million companies.

What the Amendment Accomplishes

Aside from delivering a promise to taxpayers, this resolution will establish the Special Transportation Fund (STF) as a perpetual fund, meaning it cannot be abolished.

- It ensures that all sources of funds designated for the STF on or after the adoption of the amendment *must remain in the STF and must be deposited into the STF so long as those sources are authorized by statute.*
- It enshrines protections in the State Constitution that money that goes into the fund cannot be taken out. Otherwise, a future legislature could take money from the STF by a simple majority vote.

This amendment simply says that that once funding goes into the Special Transportation Fund, it cannot come out.

Strength of the Amendment Language

Debates will no doubt arise over the specific verbiage of the proposed amendment. **To be clear, the wording of the lockbox is unequivocal.**

"... the General Assembly shall enact no law authorizing the resources of said fund to be expended other than for transportation purposes ..."

Some might try to claim language isn't tight enough, that every single stream of revenue should be enumerated, with every possible funding stream included.

The fundamental problem with that argument is that money in the special transportation fund comes from revenue streams designated for it by state law. In short, those revenue streams are already specific, and can be adjusted or changed by state law.

A vote against this lockbox is a vote for raiding the fund for future purposes, and it's a vote for Connecticut to compete in the 21st century with a dilapidated, antiquated infrastructure.